

**Special Meeting  
CEMETERY SYSTEM BOARD OF TRUSTEES  
CITY OF FORT LAUDERDALE  
CITY HALL 8<sup>TH</sup> FLOOR CONFERENCE ROOM  
Thursday October 1, 2015  
2:00 P.M.**

<b>Members</b>	<b>Attendance</b>	<b>Cumulative Attendance 2/2015 through 2/2016</b>	
		<b>Present</b>	<b>Absent</b>
Michael Ruddy, Chair	P	4	0
Patricia Hayes, Vice Chair	P	4	0
Damon Adams	P	4	0
Victoria Mowrey	P	3	1
Larry Ott	P	4	0
John Sykes	P	3	1
Mark Van Rees	P	4	0
Myrna Pototsky	P	4	0
Avis Boyd-Gaines	P	2	0
Dennis Ulmer	P	4	0

**City Staff**

Yoly Colarusso, Parks & Recreation Cemetery Liaison/Recording Minutes  
Lee Feldman, ICMA-CM, City Manager  
Ryan Henderson, Assistant to City Manager  
Zach McGinnis, Senior Management Fellow

**Guests**

Julius Delisio, Carriage Services  
Scott Drzewiecki, Carriage Services  
Chris Manceau, Carriage Services  
Trevor Jackson, Carriage Services

**1. City Ordinance No. C-09-05, Quorum**

The meeting was called to order at 2:00 pm and it was determined a quorum was present.

**2. New Business**

**A. Cemetery Masterplan (Discussion/Motion)**

Dr. Ruddy reminded all board members that this is a single agenda item for Cemetery Master Plan, and asked for a motion to discuss.

Mr. Damon Adams made a motion to discuss the Cemetery Master Plan, seconded by Mr. Dennis Ulmer.

Mr. Van Rees opened the discussion with a review of the Master Plan previously done in March of 2000, and noted many Capital Improvements were achieved in the past and still being completed today. Looking forward, a Master Plan should provide for new cemetery space, but will not do much for our current cemeteries. I believe our current issues deal with aesthetics' and could be corrected in house. A Master Plan at this time would not be of any advantage to our Cemetery System.

Ms. Hayes did some searching on-line for Cemetery Master Planning and noted the Plan for the Star of David Memorial Gardens, here in North Lauderdale. They had the existing cemetery which was not changed, but the project description was to help expand the cemetery with a parcel of land adjacent to the existing property. The Master Plans in Texas, actually had no original planning at all, so they went in and created plans. The majority of Cemetery Master Plans found did not provide changes to existing properties but were also created to expand new land.

Ms. Mowrey referred to the proposed RFP received at the September meeting, under Scope of Work, and highlighted the CSBOT is responsible for overseeing maintenance and operations, and promulgating rules and regulations of the Cemetery System. In the City of Fort Lauderdale Municipal Code of Ordinances in 10-27, item B, it states the same information. Also, in 10-28, it talks about the Cemetery Manager, which is currently Carriage Services. What exactly are we assigned to do as a board, asked Ms. Mowrey? Ms. Hayes stated we oversee what is happening in our cemeteries, and that is what we are doing. The hiring of Carriage is to carry out the wishes of the board in managing the cemeteries. Ms. Mowrey stated in regard to that, Carriage is responsible to ensure the rules and regulations are followed, and that the maintenance is up to standards as a part of the agreement they signed. Apparently, Mr. Feldman does not think they are doing what they should be doing, and sights various needs for improvement. I do not believe those deficiencies warrant an expenditure undertaken by us unless it involves new cemetery property. Dr. Ruddy stated I categorize this as an action plan and not a Master Plan.

Mr. Adams suggested that since we already had a Master Plan, why we wouldn't periodically update the existing plan. I would be in favor of using some of the accumulated earnings on updating that plan with an external party.

Mr. Ulmer stated he was in favor of a Cemetery Master Plan because we have a City Manager who came before the board with maintenance concerns, and secondly, the City is utilizing master planning for everything we currently do.

Mr. Sykes asked in where it states we are responsible for maintenance for perpetuity. Dr. Ruddy stated we have several documents, but it is located in the Investment Policy and Procedures. Mr. Adams added that overseeing the Perpetual Care Trust Fund is a big part of our job as a board. Mr. Sykes stated that may be the most important part, and we should be carefully watching every dollar we spend. I don't understand having a master plan that does not plan for future operations. We are not currently able to

maintain our cemeteries into perpetuity, assuming we will continue to earn 6% return on investments. We need to earn 3% on something to cover maintenance costs that continue to rise. We currently have a fund balance of 25 million dollars, and I believe we need at least 30 million to cover maintenance costs into the future. The only way we can cover these costs is through continuing sales. We are talking about a plan that costs \$180,000 and does not address future sales development.

Dr. Ruddy stated that should we approve a master plan, the board would set the priorities and not the companies hired. Ms. Hayes agreed, and stated that the Star of David Master Plan addressed the additional 31 acres, and funds were received from private donations to pay for it. Mr. Van Rees added the key item added at the Star of David was opening up sales to non-sectarian communities. We have a property issue, and not a religious issue.

Dr. Ruddy asked if anyone knew the cost to start a new cemetery. Mr. Van Rees explained if we cannot find property close to our existing cemeteries that it would be considerably high due to operational needs. Ms. Mowrey stated since 1993, the City of Fort Lauderdale has netted \$12,431,698 from Carriage. I agree with John in saying, I don't believe we can pay for a master plan or buy land to start over using the current funds from our trust. I don't believe we have nearly enough money. Mr. Van Rees stated a master plan is not going to do a thing for us in our current situation; we do not need a plan to assist with aesthetics'. Moving forward, we need a plan in place to tell us what something may cost us in developing a new property with different needs than what we have today; a cemetery that honors families, and would be mostly cremation with limited burials. Mr. Sykes asked who is responsible for purchasing land. Ms. Colarusso reminded the board that at an earlier meeting they made the request to have the City of Fort Lauderdale look into purchasing the property next to Sunset Memorial Gardens, and that the real estate company had this on their agenda. Mr. Sykes asked when we have a new property, where does the money come from for development. Ms. Colarusso stated the property could be purchased from the Perpetual Care Trust Fund.

Dr. Ruddy asked Mr. Feldman if it were City owned property, would it be donated or would it have to be purchased from the City. Mr. Feldman said it could be handled in a number of different ways. The predicate is that you have a need, so there is income coming in. My initial thought would be in terms of both purchase and development. You have a model and you need to have a sufficient return on the investment. Assuming you have that, I would borrow the money as a revenue note against the cemetery system, pledging dollars that are in the corpus and non-corpus assets. You can pledge anything except the actual land. You can pledge revenue stream against existing cemeteries, a lot like a parking fund would do in building a parking garage; please forgive the analogy. If the City owned the land, it could put it into the mix, but I would probably recommend against that because our land has value. But that doesn't mean it needs to be purchased. We could get a stream of the income coming off it as rent, the perpetual grant that is, and take second seat to the bond holder on that. The one thing that any bond holder or bank is going to want to see is the plan. Not only in terms of future development, but on how you take care of your burdens on the existing four cemeteries.

What are the maintenance costs? How are the maintenance costs being funded? How is the cemetery operating? Is it in the black or the red? What are the short and long term capital needs of the four existing cemeteries? So while I agree there are several different focuses of a Master Plan, looking at the existing system in terms of how much dollars need to go to maintenance and how much enhanced maintenance would cost today would be incorporated in a system wide plan. We know one cemetery is closed, but the other three still have life left. What is that life? What is it based upon? Just because all the plots are sold, we still have maintenance and burials for years to come at those facilities. Having a document, especially if you are going to be looking at the expansion needs that a bond holder or banker relied upon as a plan is going to be essential. I don't think you ought to look at just paying cash for a new cemetery, it would not make sense.

Ms. Hayes stated in those terms then, you would really need to have that whole package before you even started because we don't need to have the plan with the existing cemeteries when you are looking towards the future. You could do a financial analysis based on the past history and figure out when our cemeteries would be sold out.

Mr. Feldman stated let me give you the parking system as the analysis. We are currently looking at doing a bond issue for a parking garage in association with the aquatics center. So when we started doing our due diligence on the bond, the first thing that our financial advisor and potential bond holders asked us, was where our parking master plan was; so we put together a master plan for our parking system. Since we were relying upon the revenues of the parking system, they wanted to know about every metered space. One of our biggest garages that we have is the City parking garage in the downtown, consisting of two seven story structures that go over Second Street. So they wanted to know what our capital plan for that garage is. What is the current condition today? We hired a structural engineer, and he gave us a short term list of things to do, a mid-term list, and a long term list with estimates. So we have to flow all that into our parking revenues over the next 30 years to show that we can support the debt on a new parking garage and that we will not take that revenue and use it for something else.

Ms. Hayes said that is the same with roads. The turnpike here bonds the Polk Parkway and the extension of the Suncoast, and it is based on the income from the Ronald Reagan Turnpike. But it was for new roads, not existing roads. We already have a history of what has been done in our cemeteries, and it would be easily put together. Mr. Feldman stated but it still has to be put together and be somewhat independent. Ms. Hayes stated we need the new proposal in order to go back and spend the money for the financial ideas. Mr. Feldman stated I see a Master Plan looking at what are your alternatives. First, what are your needs? When do you run out of space? Run out of options? What does a modern cemetery look like today? Is it mostly mausoleum? Is the return better on investment if you have more burial sites because of limited space throughout our cemeteries? The board has to be involved in setting parameters, having discussions, providing feedback, and coming up with an ideal future profile. Then you

look at land options. Does it have to be in the City, maybe it could be just outside of the City? The goal is to serve the neighbors that live here first and foremost, but nothing says the cemetery has to be within the City boundaries specifically. We have a water plant that provides you water that sits outside the City. We have wellfields outside the City, and we have potential land options that we control that are outside of the City. Years ago, we owned a City operated golf course that was outside the City. So you can have assets that are outside that still provide value for the people who live here. I could see a master planner saying here are your 15 possibilities and all of you would help rank those. We would then get a report to take to the City Commission and have a discussion with it. To answer your question, ultimately the City Commission has to make the decision as to expansion. But as they do with all their boards, they are going to strongly rely on you for a recommendation on what to do and how to do it.

Dr. Ruddy asked if anyone knew how accurate these master plans end up being. Ms. Hayes stated with the expansion of toll roadways they spent two million dollars and threw away the plan. Then they hired another company to start all over again. Mr. Adams stated a master plan has to be revisited from time to time; you cannot just adopt it and then hope it gets done in the future. Ms. Hayes stated if you spend the money, is the result going to be worth it or do we read it and say it is a nice plan, but it won't work. Mr. Feldman stated that is part of vetting a master planner.

Mr. Van Rees asked if we had a dollar amount for the RFP. Ms. Colarusso stated the City of Austin budgeted \$180,000, and that was the figure we based it on.

Mr. Van Rees stated if based on the money the City has received from the management fee for the last few years, it could be a split cost. The City of Fort Lauderdale would be requested to split the cost of the Master Plan along with the cemetery Trustees. Would it be a reasonable request to go the City Commission? Mr. Feldman stated that the Commission will look at the fact that there is \$25,000,000 there, and they scramble to get dollars for other programs that do not have as lucrative of a base that is out there. I don't think that they would be inclined to do it. I may be wrong, but I can ask.

Ms. Hayes stated that we don't need to budget anything, but instead have these companies tell us how much it would cost. Mr. Feldman said you can put an RFP together and not be bound to do anything. You can say none of these things will ever meet the needs of the cemetery and we don't recommend that City Commission move forward with it. Or, we can say these firms recommend the things we think we need and there is a cost associated with it. The cost may be \$50,000 or \$250,000 depending on what came in. The \$180,000 was based on the City of Austin plan. Ms. Hayes stated Austin had a bunch of cemeteries that were not part of any plan. They were just helter skelter burials all over, so they had to do a master plan for those existing cemeteries; the pictures on the web showed awfully deteriorated cemeteries. Mr. Feldman agreed they needed to make investments.

Ms. Mowrey stated exactly what Lee just said about the Commission looking at how much money is in the fund here versus what the City has and needs to spend money on

and so forth, is one of the main reasons that prevents me from wanting to move forward with this from our financial standpoint. It is only because of the due diligence of every person who has ever been a CSBOT member that there is that much money there. We have four very fine cemeteries and people don't realize they are City owned. I believe we should hold our cemetery manager accountable to maintain our cemeteries, but I believe that Carriage has taken care of future sales with the development of different gardens. It is fine that somebody thinks because we have money, we should spend it. We do spend it, but we have been assigned the task of making sure that the money is there forever and ever, and that is a really long time. Ms. Hayes stated that cemeteries have a rating of no less than forever.

Dr. Ruddy stated that a lot of what Mr. Feldman said makes sense, but I am not saying that I agree with everything he said. I think the most logical thing for us to do is to withdraw this motion and make a new motion for an RFP to obtain bids. I don't really understand this master plan concept of what they will provide us, or what the costs are. If it comes in at \$25,000 or \$250,000, I agree with Vicki in saying we are stewards of this fund. We will have less income this year with the capital improvements we already recommended. Ms. Hayes said we need a scope of services. Mr. Van Rees suggested we put together an RFP in terms of what we have and don't have, and let companies come in and give us the numbers. Mr. Adams asked Mr. Van Rees who would develop the RFP. Mr. Van Rees stated we have had a good discussion on it already. Ms. Mowrey said Mr. Feldman already gave us an RFP. Ms. Colarusso stated we put together an RFP based on the City of Austin's Master Plan and purchasing is still developing it.

Dr. Ruddy suggested a subcommittee would be ideal to look into this. Mr. Van Rees agreed. Ms. Colarusso thought a subcommittee could not be formed. Mr. Adams felt that we could form a subcommittee.

Ms. Mowrey is concerned with the language in the RFP, and the content not specific to our cemeteries. Dr. Ruddy suggested the board could determine the scope of work for the RFP. Mr. Sykes noted the current RFP does not mention expansion.

Mr. Damon Adams made a motion to withdraw his original motion.

Ms. Mowrey made a motion to form a subcommittee to work on the scope of services for the Cemetery Master Plan RFP, seconded by Mr. Larry Ott. The motion passed unanimously.

The meeting was adjourned at 3:11 pm.

Minutes prepared by: Y. Colarusso, Parks and Recreation